

**CLAIM FOR SUPPLEMENTAL CLEARANCE CERTIFICATE
FOR LIMITED PARTNERSHIP, LOW-INCOME HOUSING
PROPERTY — WELFARE EXEMPTION**

[See Revenue and Taxation Code section 214(g) and Property Tax Rules 140, 140.1 and 140.2]

This form must be completed and filed with the County-Assessed Properties Division, Board of Equalization, PO Box 942879, Sacramento, California 94279-0064.

As a prerequisite to claiming the welfare exemption for low-income housing property with the county assessor, the limited partnership, in which the managing general partner is an eligible nonprofit corporation or limited liability company, must file this form with the Board of Equalization, County-Assessed Properties Division, to request a *Supplemental Clearance Certificate for Limited Partnership, Low-Income Housing Property — Welfare Exemption* (BOE-277-SCC) (herein referred to as "SCC"). A separate form must be filed for each property for which the welfare exemption will be claimed. In addition to this form, the managing general partner of the limited partnership must separately file for and receive an *Organizational Clearance Certificate for Welfare or Veterans' Organization Exemption* (BOE-277-OCC) (herein referred to as "OCC") from the Board of Equalization if it does not currently hold an OCC. This form must be filed in order to receive an SCC and must also be filed with the managing general partner's BOE-277-P, *Periodic Filing for Organizational Clearance Certificate — Welfare or Veterans' Organization*.

ORGANIZATIONAL CLEARANCE CERTIFICATE FOR MANAGING GENERAL PARTNER

Please check one:

- ☐ Managing general partner of the limited partnership is filing form BOE-277, *Claim for Organizational Clearance Certificate — Welfare Exemption*, with this claim. (The managing general partner does not currently hold an OCC and does not have an application pending for OCC with the Board.)
- ☐ Managing general partner of limited partnership has filed an application for an OCC, which is currently pending with the Board.
- ☐ Managing general partner of the limited partnership currently holds an OCC. OCC No. _____.
- ☐ Limited partnership is filing this claim with the managing general partner's BOE-277-P, *Periodic Filing for Organizational Clearance Certificate — Welfare or Veterans' Organization Exemption*. Board-issued OCC No. for the managing general partner is _____. Board-issued SCC No. for this limited partnership property is _____.

THIS CLAIM IS FILED FOR FISCAL YEAR ____ - ____.**SECTION 1. Name of Limited Partnership and Property Information**

- A. Name of the limited partnership that owns and operates the property: _____
- B. Property location: _____
(give complete situs address, including zip code)
- C. County in which property is located: _____
- D. Date property acquired by limited partnership: _____
(give complete date)

SECTION 2. Managing General Partner of the Limited Partnership

- A. Name of the managing general partner _____
- B. Corporate Identification or Limited Liability Company Number _____
- C. Mailing Address _____
(give complete address including zip code)
- D. Date admitted into the limited partnership as the managing general partner _____
(give complete date)

SECTION 3. Managing General Partner Designation — The general partners of the limited partnership, including the managing general partner, certify that (check all applicable boxes):

- A. ☐ Limited partnership agreement expressly designates the nonprofit corporation or Limited Liability Company as the managing general partner.
- B. ☐ Managing general partner is authorized to receive a partnership management fee or similar form of compensation payable in the amount and manner set forth in the limited partnership agreement or other agreement executed by all of the general partners.
- C. ☐ Managing general partner has material participation in the control, management and direction of the limited partnership's business (see Section 5).
- D. ☐ Officers and directors of the for-profit general partners, for-profit limited partners, or any of its for-profit affiliates, do not, as individuals or collectively, have a controlling vote or majority interest in the managing general partner.

SECTION 4. Government Financing or Tax Credits; Use Restriction. As to the low-income housing property for which this claim is made, the general partners of the limited partnership, including the managing general partner, certify that (*check all applicable boxes*):

A. At least one of the following criteria is applicable:

- ☐ The acquisition, construction, rehabilitation, development, or operation of the property is financed with government financing in the form of tax exempt mortgage revenue bonds, general obligation bonds; local, state, or federal loans or grants; or any loan insured, held, or guaranteed by the federal government; or project-based federal funding under section 8 of the Housing Act of 1937. (The term *government financing* does not include federal rental assistance through tenant rent-subsidy vouchers under section 8 of the Housing Act of 1937).

Name of government agency _____

Date of agreement _____ Term of financing (years) _____

- ☐ The acquisition, construction, rehabilitation, development, or operation of the property is financed with state low-income housing tax credits pursuant to Revenue and Taxation Code sections 12205, 12206, 17057.5, 17058, 23610.4, and 23610.5 or federal low-income housing tax credits pursuant to section 42 of the Internal Revenue Code.

Name of government agency _____

Date of agreement _____ Term of tax credit receipt period (years) _____

- B. There is a regulatory agreement with a government agency that has provided low-income housing tax credits or government financing, or a recorded deed restriction that restricts all or a portion of the property's usage for rental to lower income households and provides that the units designated for use by lower income households are continuously available to or occupied by lower income households at rents that do not exceed those prescribed in the terms of a regulatory agreement or recorded deed restriction, or to the extent that none are provided in the regulatory agreement or recorded deed restriction, at rents that do not exceed those prescribed by section 50053 of the Health and Safety Code. ☐ Yes ☐ No

If yes, please check the applicable box and provide the requested information below:

- ☐ Enforceable and verifiable agreement with a government agency.

Name of agency _____

Date of agreement _____ Term of agreement _____

- ☐ Recorded deed restriction Date recorded _____
(give complete date)

- C. Funds that would have been necessary to pay property taxes are used to maintain the affordability of, or reduce rents otherwise necessary for, the units occupied by lower-income households. ☐ Yes ☐ No

SECTION 5. Material Participation: The general partners of the limited partnership, including the managing general partner, certify that as of the date that the nonprofit corporation or limited liability company was admitted into the partnership as the managing general partner, or as of the fiscal year for which this claim is made, the managing general partner is a general partner that has "material participation" in the control, management, and direction of the limited partnership's business, as set forth below [*please check applicable boxes and for each box checked identify the agreement and section(s) or page number(s) of the agreement granting or requiring the managing general partner such right, authority or duty*]:

- ☐ Managing general partner has a right to vote in all the major decisions, including any actions which require a vote of a majority in interest of the general partners.

☐ Limited partnership agreement dated _____ section(s) _____

☐ Amendment to limited partnership agreement dated _____ section(s) _____

☐ Other agreement executed by all of the general partners dated _____ section(s) _____

- ☐ Managing general partner performs substantial management duties (*see Section 6*).

☐ Limited partnership agreement dated _____ section(s) _____

☐ Amendment to limited partnership agreement dated _____ section(s) _____

☐ Other agreement executed by all of the general partners dated _____ section(s) _____

- ☐ Managing general partner directly or indirectly, under its supervision, manages the limited partnership.
- ☐ Limited partnership agreement dated _____ section(s) _____
- ☐ Amendment to limited partnership agreement dated _____ section(s) _____
- ☐ Other agreement executed by all of the general partners dated _____ section(s) _____
- ☐ Managing general partner annually conducts a physical inspection of the low-income housing property to ensure that the property is being used as low-income housing and meets all of the requirements of the welfare exemption for low-income housing properties.
- ☐ Limited partnership agreement dated _____ section(s) _____
- ☐ Amendment to limited partnership agreement dated _____ section(s) _____
- ☐ Other agreement executed by all of the general partners dated _____ section(s) _____
- ☐ Managing general partner annually submits a certification to the county assessor for the county in which the property is located that the low-income housing property meets all welfare exemption requirements for low-income housing properties.
- ☐ Limited partnership agreement dated _____ section(s) _____
- ☐ Amendment to limited partnership agreement dated _____ section(s) _____
- ☐ Other agreement executed by all of the general partners dated _____ section(s) _____

SECTION 6. Substantial Management Duties: The general partners of the limited partnership, including the managing general partner, certify that as of the date that the nonprofit corporation or limited liability company was admitted into the partnership as the managing general partner, or as of the fiscal year on this claim, that the managing general partner is a general partner with "substantial management duties" as defined in Rule 140.1, subdivision (a)(10); specifically, the managing general partner actually performs the following partnership management duties checked below on behalf of the limited partnership (*please check only the duties the managing general partner actually performs, and identify the agreement requiring the performance of each duty, including the section of the agreement*).

- ☐ Managing general partner rents, maintains and repairs the low-income housing property, or if such duties are delegated to a property management agent, participates in hiring and overseeing the work of the property management agent.
- ☐ Limited partnership agreement dated _____ section(s) _____
- ☐ Amendment to limited partnership agreement dated _____ section(s) _____
- ☐ Other agreement executed by all of the general partners dated _____ section(s) _____
- ☐ Managing general partner participates in hiring and overseeing the work of all persons necessary to provide services for the management and operation of the limited partnership business.
- ☐ Limited partnership agreement dated _____ section(s) _____
- ☐ Amendment to limited partnership agreement dated _____ section(s) _____
- ☐ Other agreement executed by all of the general partners dated _____ section(s) _____
- ☐ Managing general partner executes and enforces all contracts executed by the limited partnership.
- ☐ Limited partnership agreement dated _____ section(s) _____
- ☐ Amendment to limited partnership agreement dated _____ section(s) _____
- ☐ Other agreement executed by all of the general partners dated _____ section(s) _____
- ☐ Managing general partner executes and delivers all partnership documents on behalf of the limited partnership.
- ☐ Limited partnership agreement dated _____ section(s) _____
- ☐ Amendment to limited partnership agreement dated _____ section(s) _____
- ☐ Other agreement executed by all of the general partners dated _____ section(s) _____

- ☐ Managing general partner prepares or causes to be prepared all reports to be provided to the partners or lenders on a monthly, quarterly, or annual basis consistent with the requirements of the limited partnership agreement.
- ☐ Limited partnership agreement dated _____ section(s) _____
- ☐ Amendment to limited partnership agreement dated _____ section(s) _____
- ☐ Other agreement executed by all of the general partners dated _____ section(s) _____
- ☐ Managing general partner coordinates all present and future development, construction, or rehabilitation of low-income housing property that is the subject of the limited partnership agreement.
- ☐ Limited partnership agreement dated _____ section(s) _____
- ☐ Amendment to limited partnership agreement dated _____ section(s) _____
- ☐ Other agreement executed by all of the general partners dated _____ section(s) _____
- ☐ Managing general partner monitors compliance with all government regulations and files or supervises the filing of all required documents with government agencies.
- ☐ Limited partnership agreement dated _____ section(s) _____
- ☐ Amendment to limited partnership agreement dated _____ section(s) _____
- ☐ Other agreement executed by all of the general partners dated _____ section(s) _____
- ☐ Managing general partner acquires, holds, assigns or disposes of property or any interest in property.
- ☐ Limited partnership agreement dated _____ section(s) _____
- ☐ Amendment to limited partnership agreement dated _____ section(s) _____
- ☐ Other agreement executed by all of the general partners dated _____ section(s) _____
- ☐ Managing general partner borrows money on behalf of the limited partnership, encumbers limited partnership assets, places title in the name of the nominee to obtain financing, prepays in whole or in part, refinances, increases, modifies or extends any obligation.
- ☐ Limited partnership agreement dated _____ section(s) _____
- ☐ Amendment to limited partnership agreement dated _____ section(s) _____
- ☐ Other agreement executed by all of the general partners dated _____ section(s) _____
- ☐ Managing general partner pays organizational expenses incurred in the creation of the partnership and all operational expenses.
- ☐ Limited partnership agreement dated _____ section(s) _____
- ☐ Amendment to limited partnership agreement dated _____ section(s) _____
- ☐ Other agreement executed by all of the general partners dated _____ section(s) _____
- ☐ Managing general partner determines the amount and timing of distributions to partners and establishes and maintains all required reserves.
- ☐ Limited partnership agreement dated _____ section(s) _____
- ☐ Amendment to limited partnership agreement dated _____ section(s) _____
- ☐ Other agreement executed by all of the general partners dated _____ section(s) _____
- ☐ Managing general partner ensures that charitable services or benefits, such as vocational training, education programs, childcare and after-school programs, cultural activities, family counseling, transportation, meals, and linkages to health and/or social services are provided or information regarding charitable services or benefits are made available to the low-income housing tenants.
- ☐ Limited partnership agreement dated _____ section(s) _____
- ☐ Amendment to limited partnership agreement dated _____ section(s) _____
- ☐ Other agreement executed by all of the general partners dated _____ section(s) _____

SECTION 7. Delegation of Authority:

A. The general partners of the limited partnership, including the managing general partner, certify that the limited partnership agreement *(please check applicable box and specify agreement and date)*:

☐ Contains a delegation of authority clause

Limited partnership agreement dated _____ section(s) _____

Amendment to limited partnership agreement dated _____ section(s) _____

☐ Does not contain a delegation of authority clause

Limited partnership agreement dated _____ section(s) _____

Amendment to limited partnership agreement dated _____ section(s) _____

B. If the limited partnership agreement contains a delegation of authority clause, such clause provides:

i. The managing general partner may not delegate any of its partnership management duties as defined in Rule 140.1, subdivision (a)(10), and identified in Section 6. ☐ Yes ☐ No

ii. The managing general partner may delegate its partnership management duties, identified in Section 6 to persons who, under its supervision, may perform such duties for the partnership subject to the supervision by the managing general partner.

☐ Yes ☐ No

C. The managing general partner has delegated some or all of its partnership management duties identified in Section 6.

☐ Yes ☐ No

If yes, please list each duty delegated, the date delegated, and the person or entity performing such duty (attach additional pages if necessary).

SECTION 8. Documents Which Must be Submitted:

- A. If you are filing this claim in order to receive a SCC for the limited partnership property you listed in Section 1.B. , submit all of the following:
- For California limited partnerships, a copy of Secretary of State Form LP-1, *Certificate of Limited Partnership*, and, if applicable, Secretary of State form LP-2, *Amendment to Certificate of Limited Partnership*. For foreign limited partnerships, a copy of the formation documents, and, if applicable, amendment documents filed in the state of formation.
 - Copy of the recorded regulatory agreement with a government agency or a copy of a recorded deed restriction, which verifies or evidences the receipt of low-income housing tax credits or government financing.
 - Copy of the grant deed, or documents evidencing the limited partnership's ownership of the improvements if the land is not owned by the limited partnership.
- B. If you are filing this claim with BOE-277-P, *Periodic Filing for Organizational Clearance Certificate — Welfare or Veterans' Organization Exemption*, submit the following:
- Copy of Secretary of State form LP-2, *Amendment to Certificate of Limited Partnership*, if the certificate of limited partnership has been amended since the last claim filing. For foreign limited partnerships, a copy of amendment documents filed in the state of formation.
 - Copy of other agreement executed by all general partners if executed since the last claim filing.

SECTION 9. Certification: This form must be certified by the Managing General Partner and all of the General Partners of the Limited Partnership (*please attach additional pages if necessary*).

CERTIFICATION

I certify under penalty of perjury under the laws of the State of California that the foregoing and all information contained herein, including any accompanying statements or documents, is true, correct, and complete to the best of my knowledge and belief.

NAME OF LIMITED PARTNERSHIP

LOCATION OF LIMITED PARTNERSHIP PROPERTY

NAME AND TITLE OF MANAGING GENERAL PARTNER (*please print*)

SIGNATURE OF MANAGING GENERAL PARTNER

PHONE NUMBER

E-MAIL

DATE

NAME AND TITLE OF GENERAL PARTNER (*please print*)

SIGNATURE OF GENERAL PARTNER

PHONE NUMBER

E-MAIL

DATE

NAME AND TITLE OF GENERAL PARTNER (*please print*)

SIGNATURE OF GENERAL PARTNER

PHONE NUMBER

E-MAIL

DATE

NAME AND TITLE OF GENERAL PARTNER (*please print*)

SIGNATURE OF GENERAL PARTNER

PHONE NUMBER

E-MAIL

DATE
THIS FORM IS A PUBLIC RECORD AND IS SUBJECT TO PUBLIC INSPECTION

Claims for the welfare exemption, organizational clearance certificates and supplemental clearance certificates, and all supporting documents are subject to audit by the Board of Equalization and by the County Assessor.

**INSTRUCTIONS FOR FILING A CLAIM FOR
SUPPLEMENTAL CLEARANCE CERTIFICATE FOR LIMITED PARTNERSHIP
LOW-INCOME HOUSING — WELFARE EXEMPTION**

Revenue and Taxation Code, § 214(g)
California Code of Regulations, Title 18, §§ 140, 140.1 and 140.2

SUPPLEMENTAL CLEARANCE CERTIFICATE FOR LIMITED PARTNERSHIP

A limited partnership, in which the managing general partner is an eligible nonprofit corporation or limited liability company, which owns low-income housing property for which it will claim the welfare exemption is required to file with the State Board of Equalization (Board) a claim for a *Supplemental Clearance Certificate for Limited Partnership, Low-Income Housing — Welfare Exemption* (SCC). This claim form must be filed in order to receive a SCC. This claim form must also be filed with the managing general partner's BOE-277-P, *Periodic Filing for Organizational Clearance Certificate — Welfare or Veterans' Organization*. The county assessor may not grant the welfare exemption for low-income housing property owned by a limited partnership unless the claimant holds a SCC for the particular low-income housing property. For additional information, see Property Tax Rules 140, 140.1, and 140.2, available on the Board's website at www.boe.ca.gov.

FILING OF CLAIM

The claim for the SCC must be filed with the Board's County-Assessed Properties Division, Exemption Section at the address provided on the SCC claim form. If you have any questions, you may contact the Exemption Section at 916-445-3524. Supporting documents must be provided with each claim for SCC.

ALL QUESTIONS MUST BE ANSWERED

The failure to answer all of the questions on the claim form may result in the denial of the SCC.

FISCAL YEAR

The fiscal year for which the SCC is claimed must be stated. If the limited partnership is filing this claim form to receive a SCC, the fiscal year should correspond to the fiscal year for which the welfare exemption will be claimed with the county assessor. If the managing general partner is a limited liability company (LLC), the earliest fiscal year for which a claim for SCC may be filed is 2005-2006, the effective date of the statute authorizing LLCs to qualify as a managing general partner. If the limited partnership has an SCC for the particular low-income housing property and this claim form is being filed with the managing general partner's BOE-277-P, *Periodic Filing for Organizational Clearance Certificate — Welfare or Veterans' Organization*, the fiscal year should correspond to the fiscal year of the BOE-277-P filing.

SECTION 1. Name of Limited Partnership and Property Information. Identify the name of the limited partnership that owns the low-income housing property, location of the low-income housing property, county in which the property is located, and date the property was acquired by the limited partnership.

SECTION 2. Managing General Partner of the Limited Partnership. Identify the name of the managing general partner, corporate identification number or limited liability company number, mailing address of the managing general partner, and the date the managing general partner was admitted to the limited partnership.

SECTION 3. Managing General Partner Designation. Check all applicable boxes. See Rule 140.1, subdivision (a)(6), which provides the definition of "managing general partner" of a limited partnership under Revenue and Taxation Code section 214(g).

SECTION 4. Government Financing or Tax Credits; Use Restriction. A limited partnership, in which the managing general partner is an eligible nonprofit corporation or limited liability company, may qualify for exemption for a particular low-income housing property provided that: (A) the limited partnership receives low-income housing tax credits or government financing for the property; (B) the property is subject to a recorded deed restriction or a regulatory agreement, which is recorded in the county in which the property is located (for purposes of the welfare exemption, the property has low-income housing tax credits or government financing for the period of time that a regulatory agreement or recorded deed restriction restricts the use of all or any portion of the property for rental to lower income households even if the initial government financing has been refinanced or has been paid in full, or the allocation of the low-income housing tax credits has terminated or expired, provided that the government agency that is a party to the regulatory agreement continues to monitor and enforce compliance with the terms of the regulatory agreement); and (C) funds not used to pay property taxes are used to maintain affordability of or reduce rents of units occupied by the lower income households [see Rule 140.2, subdivision (c)].

SECTION 5. Material Participation. A limited partnership, in which the managing general partner is an eligible nonprofit corporation or a limited liability company, may qualify for exemption for a particular property provided that the limited partnership agreement, or other agreement executed by all of the general partners, provides that the managing general partner is a general partner that has “material participation” in the control, management, and direction of the limited partnership’s business. Identify the agreement and the applicable provisions thereof, which authorize the managing general partner’s material participation in the limited partnership [see Rule 140.1, subdivision (a)(7)].

SECTION 6. Substantial Management Duties. A limited partnership, in which the managing general partner is an eligible nonprofit corporation or limited liability company, may qualify for exemption for a particular property provided that the limited partnership agreement, or other agreement executed by all of the general partners, provides that the managing general partner is a general partner with “substantial management duties” [see Rule 140.1, subdivision (a)(10)]. Check only the boxes for partnership management duties actually performed by the managing general partner and identify the agreement and the applicable provision thereof, which require the managing general partner to actually perform such duties.

SECTION 7. Delegation of Authority. If the limited partnership agreement contains a delegation of authority clause, it may provide either that: (1) the managing general partner may not delegate any of its partnership management duties; or (2) the managing general partner may delegate *some or all of* its partnership management duties to persons who, under its supervision, may perform such duties on behalf of the limited partnership [see Rule 140.1, subdivision (d)]. If the managing general partner is authorized to delegate its partnership duties and elects to delegate one or more of its duties, the managing general partner must demonstrate that it is actually supervising the performance of the delegated duties. Identify the agreement and the delegation of authority provisions thereof. If the agreement contains a delegation of authority clause and states that the managing general partner may delegate its partnership management duties, list each duty delegated, the date each duty was delegated, and person performing such duty.

SECTION 8. Documents That Must be Submitted. The limited partnership must provide the documents required to be submitted to the Board under Section 8 of the claim form. If such required documents are not submitted, it will result in an incomplete findings being issued to the limited partnership. The Board may audit the limited partnership and its partners to determine whether the limited partnership meets the requirements of Revenue and Taxation Code section 214(g) and Property Tax Rules 140, 140.1, and 140.2.

SECTION 9. Certification. All general partners of the limited partnership, including the managing general partner, must sign the claim form. Signing the claim form certifies to the truth of the information provided both on the form and in the accompanying documents.

RECORDS AND DOCUMENTS MUST BE MAINTAINED BY THE MANAGING GENERAL PARTNER

A copy of the claim form and supporting documents should be retained by the managing general partner. The managing general partner must maintain records and documents evidencing the partnership management duties performed by the managing general partner. Such records and documents may include, but are not limited to:

- (1) accounting books and records;
- (2) tax returns;
- (3) budgets and financial reports;
- (4) reports required by lenders;
- (5) documents related to the construction or rehabilitation of real property;
- (6) legal documents such as contracts, deeds, notes, leases, and deeds of trust;
- (7) documents related to complying with government regulations and filings; documents related to property inspections;
- (8) documents related to property inspections;
- (9) documents related to charitable services or benefits provided or the information provided regarding such services or benefits;
- (10) reports prepared for the partners;
- (11) bank account records;
- (12) audited annual financial statement of the limited partnership; and
- (13) property management agreement.